(c) The requirement (peak demand) of electricity in MW in the country up to July, 1993 was 48264 MW and the anticipated peak demand during 1993-94 would be 56000MW. In order to mitigate the power shortage in the country, various measures being taken to increase the availability of power include expediting commissioning of new generating capacity, implementation of short gestation projects, improving the performance of existing power stations, reduction in Transmission and Distribution losses, implementation of demand management and energy conservation measures, arranging transfer of energy from surplus to deficit areas, etc.

(d) and (e) 46 expressions of interest with capacity of 25120.50 MW and estimated cost of Rs. 76025.39 crores have been received for setting up power projects in the private sector in the country as on 6.8.1993. At this stage it cannot be concluded that foreign investors are more interested in China as compared to India.

Energy Management Centre, Nagpur

2687. SHRI KAMAL MORARKA: Will the Minister of POWER be pleased to state:

(a) whether it is a fact that Energy Management Centre established in Nagpur in 1989 by the then Energy Minister is in a critical condition and is virtually a defunct organisation;

(b) if so, what are the reasons for the present state of affairs in the organisation;

(c) whether any steps have been taken to put it on the right tracks; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI P. V. RANGAYYA NAIDU): (a) to (c) No, Sir. Energy Management Centre is performing a host activities in the field of energy conservation. Its activities have recently been reviewed at the instance of the Ministry of Power by the Institute of Public Enterprise, Hyderabad. For better interaction, timely and proper execution of the various international cooperation projects entrusted to it, the operational Headquarter of Energy Management Centre has been located in Delhi while its registered office and Training Centre is at Nagpur.

(d) Does not arise.

Modernisation of Hydel Power Station

2688. SHRI PRAMOD MAHAJAN: Will the Minister of POWER be pleased to state:

(a) whether Government have launched or propose to launch a massive programme of renovation and modernisatiin to improve the performance of old thermal and hydel power stations;

(b) if so, what are the details of the steps taken in this regard;

(c) what are the details of the areas of electricity generation, supply and distribution opened up for investment by the private sector;

(d) what progress has so far been made in this regard

(e) whether the private sector is facing any uncertainties; and

(f) if so, what steps Government have taken to solve their problems?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI P. V. RANGAYYA NAIDU): (a) and (b) With a view to improving the performance of existing old thermal and hydel power stations, a massive renovation and modernisation (R & M) programme has been launched. Under Phase-I of the R & M programme, 34 old thermal power stations covering 1964 generating units aggregating to a total capacity of 13585.5 MW were covered, at a total sanctioned cost of Rs. 1083 crores,

which has now been revised to Rs. 1223 crores. The Phase-I of the Scheme will be completed by 1993-94. Phase-II of the R&M programme covering 46 old thermal power plants, comprising 203 generating units aggregating to a total capacity of 20581 MW at an estimatsd cost of Rs. 1610 crores has also been launched for implementation during the Eighth Plan period.

As regards renovation, modernisation and uprating of hydro power station, 54 schemes have been identified at an estimated cost of Rs. 1242 crores. Out of 54 schemes, 28 schemes have already been cleared at an estimated cost of Rs. 565 crores. Out of 28 cleared schemes, 4 schemes have been completed at an estimated cost of Rs. 17 crores, and the remaining 24 cleared schemes are in various stages of execution.

(c) and (d) The Indian Electricity Act, 1910 and the Electricity (Supply) Act, 1948 have been amended to encourage greater private sector participation in the electricity generation, supply and distribution. Under the amended provisions, the private sector can set up thermal projects (coal/gas) and hydel projects and wind/solar energy projects of any size. The private sector companies can set up enterprises to operate sither as licensees or as generating company. The Government has also offered a number of incentives to the generating companies as well as the licensees. For the generating companiss the normative parameters have been notified which, inter-alia, provide for 16 per cent rate of return on the paid up and subscribed equity. The 16 per cent rate of return on the equity, included in the fixed cost, as an element in the final tariff could be denominated in US $ in respect of foreign equity only. For the licensees, a high rate of return of 5 per cent in place of the previous 2 per cent above the RBI rate has been specified. The private sector companies have expressed interest in 46 power projects aggregating to a capacity of 25120.50 MW at an estimated cost of Rs. 76925.39 crores.

(e) and (f) The issues raised by some foreign investors/private comcompanies are being resolved through discussion between private companies and SEBs/State Governments.

Securing German Development aid for utilisation of Fly-ash waste

@2689. SHRI B. K. HARIPRASAD: Will the Minister of POWER be pleased to state:

(a) whether it is a fact that German development aid has been secured for the disposal and economic utilisation of fly-ash waste accumulated in thermal power plants all over the country for making bricks, mortar and concrete material; and

(b) whether Government would ensure setting up of such projects in rural areas to provide employment to rural people and also to utilise the end-products for rural development schemes

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI P. V. RANGAYYA NAIDU): (a) No, Sir.

(b) With a view to accelerating the process of disposal of fly ash produced by thermal power plants, the Central Government has issued guidelines to various power generating establishments, both under the Central and the State Governments, so as to encourage involvement of private entrepreneurs in setting up manufacturing facilities using the fly ash.

@Previously Unstarred question No. 1510 transferred from 5th August, 1993.